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CONSUMER ADVOCATE DIVISION
STATE OF WEST VIRGINIA
PUBLIC SERVICE COMMISSION

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Charleston, West Virginia 25301
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November 13, 1998

VIA AIRBORNE EXPRESS

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

Re: In the Matter of Truth-in-Billing and Billing Format
CC Docket No. 98-170

Dear Ms. Salas:

Enclosed for filing in the above-stated matter, please find the original and four (4) copies of the Comments of the West Virginia Consumer Advocate Division (WVCAD).

In accordance with the instructions on your Notice of Proposed Rulemaking released September 17, 1998, the WVCAD has also: 1) sent a 3.5 inch diskette to Anita Cheng at the Federal Communications Commission, formatted in an IBM compatible format using WordPerfect 5.1 in "read only" mode; 2) sent a copy of the diskette to the Commission's copy contractor, International Transcription Service' and, 3) sent a paper copy to Judy Boley, at the Federal Communications Commission.

Respectfully submitted,

Gene W. Lafitte, Jr.
Counsel for Consumer Advocate

GWL/cs
Enclosures

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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In the Matter of)	
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Truth-in-Billing)	
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and)	CC Docket No. 98-170
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Billing Format)	

**COMMENTS OF THE CONSUMER ADVOCATE DIVISION
OF THE PUBLIC SERVICE COMMISSION OF WEST VIRGINIA**

The Consumer Advocate Division of the Public Service Commission of West Virginia ("WVCAD") submits the following comments on the FCC's Notice of Proposed Rulemaking ("NOPR"), in the matter of Truth-in-Billing and Billing Format, CC Docket No. 98-170, issued on September 17, 1998. The WVCAD fully supports the Commission's efforts to reduce customer confusion, and outright fraud, attributable to increasingly complex telephone bills. In the aftermath of the Telecommunications Act of 1996 ("the Act"), the ability of consumers to compare various service and price options of competing carriers, and to ward off unscrupulous service providers, has been directly undermined by virtually indecipherable telephone bills.

The WVCAD fully endorses the Commission's conclusion that telephone bills should be "readable and present important information clearly and conspicuously." [NOPR ¶45, 63 Fed. Reg. 55077 (Oct. 14, 1998) at 55081]. Although price deregulation may be the primary regulatory objective underlying the Act, the Commission should be mindful of its increasing responsibility to the ultimate beneficiaries of that legislation: consumers of telecommunications services. As is the case in other competitive industries, consumer protection remains a critical

component of an efficient market.¹

Recent legislation aimed at curbing practices such as slamming and cramming are certainly encouraging developments. But sophisticated consumer choice should be the primary driving force towards competition, and the Commission properly recognizes that information is the critical fuel for that process. Absent clear and conspicuous disclosure requirements for billing, the inevitable result is precisely what is now occurring in the marketplace, namely increasing consumer fraud and informational gaps that hinder competition. In order to combat these unscrupulous and confusing practices, the WVCAD fully supports the FCC's proposed actions regarding truth in billing and bill formats. In addition, as set forth below, the FCC should consider requiring a uniform single summary page for every phone bill in America.

UNIFORM BILL FORMAT

Under the FCC's billing format proposal, a single page summary would show: (1) the presubscribed interLATA toll carrier; (2) presubscribed intraLATA toll carrier; (3) presubscribed local exchange carrier; (4) other service providers; and (5) whether any "freezes" have been placed on any of the presubscribed carriers. (NOPR ¶¶44-46, 63 Fed. Reg. at 55081). The WVCAD supports the Commission's proposal to include a single page summary of the current status of the customer's service, but believes it does not go far enough. A primary cause of the confusion currently experienced by most phone customers is the wide variability of billing formats used by different carriers, and the different way of presenting local, toll and other charges. While each carrier should remain free to include as much or as little additional information in each bill as they wish, and while states should be free to impose additional bill format requirements, the

¹Witness the requirements of the Truth in Lending Act, Fair Debt Collection Act, Fair Credit Reporting Act, Federal Trade Commission Act, Equal Credit Opportunity Act, and Food Labeling Act which are necessary to protect consumers in fully competitive markets.

FCC should require that each billing entity provide a single uniform summary page as the first page of each bill.

The WVCAD is proposing a relatively simple solution. Pursuant to its plenary authority to enact minimum consumer protection safeguards, the Commission should require that all telephone bills include a uniform cover page with certain minimal carrier and cost information which will enable consumers to determine easily what services they are paying for, who is providing them, and how much they cost. This summary information would be presented by all billing entities in exactly the same format. The WVCAD's intent is to implement a simple, basic format at the beginning of each consumer's bill that will help them understand how increasingly complex calling plans actually affect their bottom line, and whether unauthorized changes in, or charges for, service have occurred.

Other parties may argue that the FCC is powerless to regulate the format of local telephone bills. The WVCAD believes that the Commission has the plenary authority under the Act to enact minimal consumer protection safeguards that further the goal of universal service. False, deceptive, and/or confusing telephone bills unquestionably impede the goal of universal service, namely that telecommunications and information services should be available at just, reasonable, and affordable rates. Clear and conspicuous and minimum disclosure requirements ensure that prices and services move towards "just, reasonable and affordable" levels, while at the same time ensuring informed and voluntary consumer access to those rates and services.

The WVCAD notes that it is not in any way suggesting that carriers be required to curtail or edit their marketing efforts towards consumers. To the contrary, under the WVCAD proposal, carriers would be free to include whatever additional information they see fit in their customer bills. It should also be pointed out that the WVCAD's proposal for a standard telephone bill cover

page does not in any way impede the right or authority of individual states to adopt more stringent safeguards. Instead, this proposal is aimed at establishing a minimum disclosure requirement for all carriers. To that extent, the WVCAD's proposal is fully consistent with Sections 261(b) and (c) of the Act, which specifically allow for additional state requirements that are not inconsistent with the Commission's regulations. Local service bills provide the primary communication gateway between the consumer and all interstate and local service providers. The FCC obviously has authority to prescribe minimal consumer protection safeguards that are essential to integrate this gateway as part of a properly functioning market.

In terms of specifics, the WVCAD proposes that all telephone bills in the United States include a single cover page with basic service and pricing information. This information should be presented in the same format by all carriers or other entities which bill for telecommunications providers. In this way consumers can readily compare rates and prices for different services from different providers in different parts of the country. The information on this single summary page will be valuable to consumers precisely because it will always be presented in the same way.²

That information should include:

1. A separate line item for the **presubscribed local service provider**, whether there is a freeze on the local service provider, and the total charges for services rendered by the local service provider, less any federally or state mandated surcharges or taxes as set forth in items 5 through 8 below. The charges in this line would include dial tone, usage, vertical services, installation charges and maintenance services.

²An analogy can be made to ARMIS and other financial reports required from companies by the FCC. Because each report must be made in the same format, the information is invaluable for making comparisons among different providers and tracking changes over time. If carriers were allowed to report financial data in any format they wished, the information would be virtually worthless to the FCC and to the public.

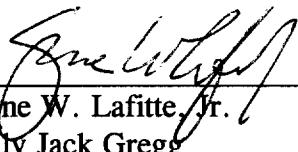
2. A separate line item for the **presubscribed intraLATA toll carrier**, whether there is a freeze on the intraLATA toll carrier, the total minutes of use billed by the carrier, and the total charges for services rendered by the intraLATA toll carrier, less any federally or state mandated surcharges or taxes as set forth in items 5 through 8 below. The charges in this line item would include any monthly charges, usage charges, and non-mandated state surcharges.
3. A separate line item for the **presubscribed interLATA toll carrier**, whether there is a freeze on the interLATA toll carrier, the total minutes of use billed by the carrier, and the total charges for services rendered by the interLATA toll carrier, less any federally or state mandated surcharges or taxes as set forth in items 5 through 8 below. The charges in this line item would include any monthly charges, usage charges, presubscribed interexchange carrier charges, and non-mandated federal universal service surcharges.
4. A separate line item for every **other provider** of billed services, if any.
5. A separate line item for all **federally mandated surcharges**, *e g.*, the Subscriber Line Charge. This line item would not include federal universal service surcharges since such surcharges are not mandated by the federal government.
6. A separate line item for all **state or locally mandated surcharges**, *e g.*, E-911 surcharges or telecommunications relay service surcharges. This line item would not include state universal service surcharges if surcharge recovery was not mandated by the state.
7. A separate line item for all **federal taxes**, *e g.*, the Federal Excise Tax on telecommunications
8. A separate line item for all **state and local taxes**, if any.
9. A separate line item for the **total amount of the bill**.
10. A clear and conspicuous description or indication of **any changes** in service providers and/or services since the last telephone bill.

A sample bill incorporating the WVCAD proposal is appended hereto as Attachment A.

The WVCAD proposal is designed to enhance "truth" in billing by focusing on a minimum level of clarity. Nothing in the WVCAD proposal prevents carriers from including in the bill their own

explanation or "spin" on the relevant issues and charges. The CAD proposal simply eliminates confusion from the first page of the telephone bill. What is critical is the consumers' ability to compare "apples to apples," and ultimately to become more sophisticated in shopping for these services. A mandatory format for the first page of every bill will promote consumer protection against fraud, and will help make competition in telecommunications services a tangible reality, rather than an abstract theory.

Respectfully Submitted,



Gene W. Lafitte, Jr.
Billy Jack Gregg
Counsel for WVCAD

**SAMPLE UNIFORM COVER PAGE
FOR TELECOMMUNICATIONS SERVICES**

John Q. Public
1234 Average Street
Anywhere, USA 12345

This bill is rendered by Bell Oceania for local services provided from October 15, 1998 to November 14, 1998. Questions concerning services rendered by other service providers should be directed to those providers.

<u>Service</u>	<u>Provider</u>	<u>Service Frozen?</u>	<u>Minutes of Use</u>	<u>Charge</u>
1. Presubscribed Local Service	Bell Oceania	Yes	N/A	\$23.14
2. Presubscribed IntraLATA Toll	XYZ	Yes	25	\$ 3.75
3. Presubscribed InterLATA Toll	ABC	No	120	\$16.95
4a. Other- InterLATA Toll	LTI	No	20	\$ 5.60
4b. Other- Non-telecommunications services	Rhonda's Rodents	No	N/A	\$19.95
5. Federal Surcharges	Subscriber Line	No	N/A	\$ 3.50
6. State and Local Surcharges	E-911, TRS	No	N/A	\$ 1.25
7. Federal Taxes			N/A	\$ 2.22
8. State and Local Taxes			N/A	<u>\$ 0.00</u>
9. Total Bill				\$76.36

CHANGES SINCE LAST BILL:

<u>Line No</u>	<u>Explanation.</u>
1.	Inside wire maintenace charge of \$2.50 a month has been added to your local service charges from Bell Oceania.
4a.	Charges for interLATA calls on LTI did not appear on last month's bill.
4b.	Charges for non-telecommunications services from Rhonda's Rodents did not appear on last month's bill.